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CONFIDENTIAL

SETTLEMENT AGREEMENT AND CONSENT ORDER
PATRICK TERRANCE DONLON
NMLS ID 785311

WHEREAS, Patrick Terrance Donlon ("Respondent") is licensed in various jurisdictions as a mortgage loan originator or mortgage loan officer and is registered with the Nationwide Multistate Licensing System and Registry ("NMLS") under NMLS ID 785311.

WHEREAS, the states of Arizona, Arkansas, California, Colorado, Florida, Idaho, Illinois, Indiana, Iowa, Kansas, Maryland, Michigan, Minnesota, Montana, New Mexico, Oklahoma, Ohio, Oregon, South Carolina, South Dakota, and Texas (each, a "Participating State," and collectively, the "Participating States") have agreed, through their respective state mortgage regulatory agency (each a "State Mortgage Regulator," and collectively, the "State Mortgage Regulators"), to negotiate and enter into this Settlement Agreement and Consent Order (hereinafter referred to as to as the "Agreement" or "Order") with Respondent. The State Mortgage Regulators and Respondent are collectively referred to herein as the "Parties."

WHEREAS, the State Mortgage Regulators are members of the Conference of State Bank Supervisors ("CSBS") and the American Association of Residential Mortgage Regulators ("AARMR"), and this Agreement is established in accordance with the protocols established by CSBS/AARMR National Cooperative Protocol for Mortgage Supervision as well as the Nationwide Cooperative Agreement for Mortgage Supervision (collectively, the "CSBS/AARMR Protocol and Agreement").

WHEREAS, the State Regulatory Registry LLC ("SRR"), a wholly owned subsidiary of CSBS, owns and operates NMLS. SRR administers pre-licensing education ("PE") and continuing education ("CE") for state-licensed mortgage loan originators or mortgage loan officers ("MLO"). Title V of Public Law 110-289, the Secure and Fair Enforcement for Mortgage Licensing Act of

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2008 (the "Federal SAFE Act"), requires that an individual complete twenty (20) hours of NMLS-approved PE prior to becoming licensed as an MLO and requires a state-licensed MLO to complete eight (8) hours of NMLS-approved CE annually to renew the license.

WHEREAS, the Mortgage Testing and Education Board ("MTEB"), which was created by SRR, has approved "Administrative Action Procedures for S.A.F.E. Testing and Education Requirements" ("AAP") concerning NMLS-Approved PE and CE courses, which extends administrative authority to the MTEB, acting through the SRR Investigative Review Committee ("IRC"), to investigate alleged violations of the NMLS Rules of Conduct ("ROC") that an individual agrees to comply with and attests to when taking an NMLS-approved PE or CE course.

WHEREAS, in early 2025, CSBS received information alleging that at least twenty-two (22) PE and three (3) CE courses claimed by Respondent in 2024 and 2025 and for which Respondent received credit in NMLS were taken by someone other than Respondent. Based on that information, and pursuant to the AAP, the IRC conducted an investigation.

WHEREAS, the IRC issued a memorandum report concerning its investigation of Respondent. That investigation found that Respondent violated the ROC by directing and allowing another individual to complete PE and CE courses on Respondent's behalf and then claiming credit for PE and CE courses Respondent did not take.

WHEREAS, the IRC notified relevant state mortgage regulatory agencies of their findings and retracted seventy-three (73) hours of PE and CE education credit from Respondent's education record in NMLS.

WHEREAS, the conduct identified by the IRC violates the Federal SAFE Act and the relevant state laws of the Participating States, if established through an administrative hearing or other legal proceeding conducted pursuant to the laws of each Participating State.

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WHEREAS, the State Mortgage Regulators have legal authority to initiate administrative actions or other legal proceedings against Respondent based on the IRC's findings; however, the State Mortgage Regulators have elected to address their regulatory concerns with Respondent in a collective and coordinated manner by entering into this Agreement with Respondent.

WHEREAS, Respondent disputes the IRC's findings and enters into this Agreement for the purpose of resolving the State Mortgage Regulators' regulatory concerns without the time, expense, and uncertainty of contesting the findings in separate administrative actions or other legal proceedings brought by the State Mortgage Regulators in the Participating States.

WHEREAS, the State Mortgage Regulators reserve all of their rights, duties, and authority to enforce all statutes, rules, and regulations under their respective jurisdiction against Respondent regarding any mortgage loan origination activities outside the scope of this Agreement.

WHEREAS, Respondent hereby knowingly, willingly, voluntarily, and irrevocably enters into this Agreement and agrees that Respondent understands and will comply with all of the terms and conditions contained herein. Respondent acknowledges that Respondent has full knowledge of Respondent's right to notice and a hearing pursuant to the laws of the respective Participating States. By voluntarily entering into this Agreement, Respondent waives all rights Respondent may have to any hearing or judicial appeal concerning the terms, conditions, and related obligations set forth in this Agreement, and Respondent irrevocably consents to the entry of this Agreement as a final, non-appealable order of each State Mortgage Regulator. Respondent further acknowledges that Respondent has had an opportunity to consult with independent legal counsel in connection with Respondent's waiver of rights and with the negotiation and execution of this Agreement, and that Respondent has either consulted with independent legal counsel or has knowingly elected not to do so.

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NOW, THEREFORE, this Agreement having been negotiated by the Parties, it is by the State Mortgage Regulators listed below hereby **ORDERED**:

I. JURISDICTION

1. Pursuant to the licensing and supervision laws of the Participating States, the State Mortgage Regulators have jurisdiction over Respondent as described herein and may enforce the terms of this Order.

II. LICENSE SURRENDER

1. *Surrender of MLO License*. On the Effective Date, as defined in Section VI, Respondent's MLO license issued by each State Mortgage Regulator shall be surrendered. Within ten (10) days from the Effective Date, Respondent shall make any necessary filings in NMLS to effectuate the license surrender on a voluntary basis. If Respondent fails to file for surrender in any Participating State during that period, the State Mortgage Regulator in such Participating State is entitled to involuntary surrender Respondent's MLO license, without further notice to Respondent, and Respondent waives any right Respondent may have to a hearing or judicial appeal concerning the involuntary license surrender.

2. *Permanent Bar from Licensure in Participating States Other Than Colorado and Florida.* Respondent shall be permanently barred from licensure as an MLO by the State Mortgage Regulators in all of the Participating States except Colorado and Florida. Respondent shall forbear from applying for a new MLO license in any of the Participating States except as provided by Paragraph 3 of this section. If Respondent applies for a new MLO license in a Participating State that is not Colorado or Florida, Respondent's license application will be rejected or involuntarily withdrawn and will not be considered by such State Mortgage Regulator, and Respondent will forfeit any fees paid in connection with that application. Alternatively, the State Mortgage

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Regulator may summarily deny the application, and Respondent waives any right Respondent may have to a hearing or judicial appeal concerning the denial.

3. *Temporary Bar from Licensure in Colorado and Florida.* Respondent shall be barred from licensure as an MLO by the State Mortgage Regulators in Colorado and Florida for a period of two (2) years from the date Respondent's license is surrendered in NMLS. If Respondent applies for a new MLO license in Colorado or Florida during that two (2) year period, Respondent's license application will be rejected or involuntarily withdrawn and will not be considered by such state, and Respondent will forfeit any fees paid in connection with that application. Alternatively, the State Mortgage Regulator in Colorado or Florida may summarily deny the application, and Respondent waives any right Respondent may have to a hearing or judicial appeal concerning the denial. Any time after the two (2) year period has lapsed from the date Respondent surrendered his MLO license in NMLS, Respondent may apply for a new MLO license with the State Mortgage Regulator in Colorado or Florida. Respondent shall satisfy the Administrative Penalty (described in Section III) and education requirements (described in Section IV) prior to submitting an application for a new MLO license, and Respondent's failure to satisfy these requirements shall constitute good and sufficient grounds for the State Mortgage Regulator in Colorado or Florida to deny the license application. The State Mortgage Regulator in Colorado and Florida is entitled to place restrictions on Respondent's NMLS account that prevent a license application from being approved unless and until the Administrative Penalty and education requirements are fully satisfied. If Respondent applies for a new MLO license in accordance with this paragraph, the license application will be approved or denied in accordance with the State Mortgage Regulator's usual process.

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4. *Qualified Individual and Control Person Status*. For a period of two (2) years from the Effective Date, Respondent is barred from being a Qualified Individual (also known as a "qualifying individual," as defined by the NMLS Policy Guidebook) of any financial services or financial services related entity registered with NMLS. For a period of two (2) years from the Effective Date, Respondent is barred from being a Control Person or from otherwise exercising any "control" (as defined by the NMLS Policy Guidebook) over any financial services or financial services related entity registered with NMLS. Immediately upon the Effective Date, Respondent shall be removed as a Qualified Individual and Control Person of Trusted American Mortgage LLC (NMLS ID 1329867), and Respondent shall make any filings in NMLS necessary to effectuate the removal of Respondent's Qualified Individual and Control Person status.

III. ADMINISTRATIVE PENALTY

1. *Administrative Penalty.* Respondent shall pay an administrative penalty in the total amount of $31,000 ("Administrative Penalty") to the states listed in Appendix A. The Administrative Penalty shall be paid directly to each State Mortgage Regulator. Respondent shall follow the payment instructions of each State Mortgage Regulator, which may include the issuance of a fee invoice to Respondent in NMLS. The Administrative Penalty shall be due thirty (30) days from the Effective Date, or the date the State Mortgage Regulator provides Respondent with payment instructions, whichever is later.

2. A State Mortgage Regulator may elect to have its allocation of the Administrative Penalty set forth in Paragraph 1 of this section applied, in whole or in part, towards the respective Participating State's consumer relief fund, or similar, or such other alternatives authorized under the respective Participating State's law. If a State Mortgage Regulator elects to do so, it will provide

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appropriate instructions to Respondent to facilitate payment towards the consumer relief fund, or similar.

IV. MORTGAGE LOAN ORIGINATOR EDUCATION

1. Prior to the submission of an application for any new MLO license in Colorado or Florida, Respondent shall complete the following:

a. Twenty (20) hours of NMLS-approved PE, which shall consist of fourteen (14) hours of federal law curriculum, three (3) hours of ethics curriculum, and three (3) hours of non-traditional mortgage lending curriculum. None of these twenty (20) hours of PE may be state-specific curriculum;

b. If applicable, any additional hours of NMLS-approved PE required by the State Mortgage Regulator in Colorado or Florida;

c. Eight (8) hours of NMLS-approved CE, which shall consist of four (4) hours of federal law curriculum, two (2) hours of ethics curriculum, and two (2) hours of non-traditional mortgage lending curriculum. None of these eight (8) hours may be state-specific curriculum; and

d. If applicable, any additional hours of NMLS-approved CE required by the State Mortgage Regulator in Colorado or Florida.

2. For a period of five (5) years from the Effective Date, Respondent shall complete any PE or CE in a format that verifies the identity of the person taking the course. If completing an online self-study format course, Respondent shall take a course that includes biometric authentication protocols that require the course provider to validate Respondent's identity while the course is being taken.

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V. ENFORCEMENT

1. *General Enforcement Authority*. This Order shall be enforced under the respective laws and regulations of each State Mortgage Regulator in each Participating State, each of which is entitled to take appropriate administrative or judicial action to enforce this Order. Respondent acknowledges and agrees that this Order is binding on the State Mortgage Regulators only and is not binding on and does not preclude administrative or enforcement action by any other local, state, or federal agency or regulatory authority concerning the alleged conduct of Respondent giving rise to this Order.

2. *Standing and Choice of Law.* Each State Mortgage Regulator has standing to enforce this Order in the judicial or administrative process authorized under the laws of the corresponding Participating State. Upon entry, this Order shall be deemed a final, non-appealable order of each respective State Mortgage Regulator unless entry of a subsequent order is necessary under the laws of the corresponding Participating State, as provided by Paragraph 3 of this section. If a subsequent order is required, Respondent waives any right Respondent may have to any hearing or judicial appeal concerning the entry of such order. In the event of any disagreement between any State Mortgage Regulator and Respondent regarding the enforceability or interpretation of this Order and compliance therewith, the courts or administrative agency authorized under the laws of the corresponding Participating State shall have exclusive jurisdiction over the dispute, and the laws of the Participating State shall govern the interpretation, construction, and enforceability of this Order in that Participating State.

3. *Adoption of Subsequent Orders to Incorporate Terms.* A State Mortgage Regulator, if deemed necessary under the laws and regulations of the corresponding Participating State, may issue a separate administrative order to adopt and incorporate the terms and conditions of this

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Order. A State Mortgage Regulator may *sua sponte* issue such subsequent order without the review and approval of Respondent; provided, the subsequent order does not materially amend, alter, or otherwise change the terms of this Order. In the event a subsequent order materially amends, alters, or other changes the terms of this Order, the terms of this Order will control.

4. *Collections Efforts.* In the event that Respondent fails to pay any portion of the Administrative Penalty after it is due, a State Mortgage Regulator may undertake any collections efforts allowed under the laws of the corresponding Participating State, including but not limited to instituting suit against Respondent to obtain an enforceable court judgment, and Respondent agrees not to defend against or attempt to defeat any lawful collections efforts. If payment of any portion of the Administrative Penalty is stayed by a bankruptcy court, Respondent agrees not to object to a State Mortgage Regulator or Participating State submitting a claim in the bankruptcy proceeding related to the Administrative Penalty. A State Mortgage Regulator may levy against any surety bond that Respondent may maintain in such Participating State as a condition of maintaining a license under the jurisdiction of that State Mortgage Regulator, and the date of the activity giving rise to such claim is deemed to relate back to the Effective Date.

VI. GENERAL PROVISIONS

1. *Effective Date*. This Order shall become effective when fully executed by the Parties (the "Effective Date").

2. *Public Record.* This Order shall become public upon the Effective Date and may be posted by any of the State Mortgage Regulators in NMLS.

3. *Binding Nature.* The provisions of this Order shall remain effective and enforceable except to the extent that, and until such time as, any provision of this Order shall have been

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modified, terminated, suspended, or set aside, in writing by mutual agreement of the State Mortgage Regulators, collectively, and Respondent.

4. *No Restriction on Existing Examination and Investigative Authority.* This Order shall in no way preclude any State Mortgage Regulator from exercising its examination or investigative authority authorized under the laws of the corresponding Participating State. This Order shall in no way limit a State Mortgage Regulator's ability to assist any other local, state, or federal agency or regulatory authority with any investigation or prosecution, whether administrative, civil, or criminal, initiated by any such agency or regulatory authority against Respondent, or any other person, concerning Respondent's alleged conduct giving rise to this Order.

5. *Privilege*. This Order shall not constitute a waiver of any applicable attorney-client or work product privilege, confidentiality, or any other protection applicable to any negotiations related to this Order.

6. *Titles*. The titles used to identify the paragraphs of this Order are for the convenience of reference only and do not control the interpretation of the Order.

7. *Final Agreement.* This Order is the final written expression and the complete and exclusive statement of all the agreements, conditions, promises, representations, and covenants between the Parties with respect to the subject matter hereof, and supersedes all prior or contemporaneous agreements, negotiations, representations understandings, and discussions between and among the Parties, their representatives, and any other person or entity, with respect to the subject matter covered herein, excepting therefrom any proceeding or action if such proceeding or action is based upon facts not presently known to a State Mortgage Regulator.

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8. *Waiver*. The waiver of any provision of this Order shall not operate to waive any other provision set forth herein, and any waiver, amendment, or change to the terms of this Order must be in writing and signed by the Parties.

9. *Costs*. Except as otherwise agreed to in this Order, each party to this Order will bear its own costs and attorneys' fees.

10. *Notices*. Any notice to Respondent shall be delivered to Respondent's contact information of record in the NMLS, which may include email. Any notice to the State Mortgage Regulators shall be by direct written notification.

11. *Counterparts*. This Order may be executed in separate counterparts, and may be signed electronically in PDF format. A copy of the signed Order will be given the same effect as the originally signed Order.

12. Nothing in this Order shall relieve Respondent of Respondent's obligation to comply with applicable State and Federal law.

It is so **ORDERED**.

I, Patrick Terrance Donlon, hereby agree to the entry of this Settlement Agreement and Consent Order and consent to all terms, conditions, and directives contained herein and waive any right to a formal hearing or judicial appeal of this Order.



12/18/2025

Patrick Terrance Donlon (NMLS ID 785311) Date

SIGNATURES CONTINUE ON THE FOLLOWING PAGES

Arizona Department of Insurance and Financial Institutions

By: [redacted]

Name: Maria Ailor

Title: Interim Director

Date: 12/19/2025

Arkansas Securities Department

By: [redacted]

Name: Susannah T. Marshall

Title: Commissioner

Date: 12/19/2025

California Department of Financial Protection and Innovation

By: [redacted]

Name: Mary Ann Smith

Title: Deputy Commissioner

Date: 12/19/2025

Colorado Board of Mortgage Loan Originators

By: [redacted]

Name: Marcia Waters

Title: Director for the Division of Real Estate

Date: 12/18/2025

Florida Office of Financial Regulation

By: [redacted]

Name: Greg Oaks

Title: Director of Consumer Finance

Date: 12/18/2025

Idaho Department of Finance

By: [redacted]

Name: Salvador Cruz

Title: Interim Director

Date: 12/18/2025

Illinois Department of Financial & Professional Regulation

By: [redacted]

Name: Susana Soriano

Title: Director of Banking

Date: 12/21/2025

Indiana Department of Financial Institutions

By: [redacted]

Name: Thomas Fite

Title: Director

Date: 12/18/2025

Iowa Division of Banking

By: [redacted]

Name: Craig Christensen

Title: Finance Bureau Chief

Date: 12/18/2025

Kansas Office of the State Bank Commissioner

By: [redacted]

Name: James M. Payne

Title: Deputy Commissioner

Date: 12/18/2025

Maryland Office of Financial Regulation

By: [redacted]

Name: Dana Allen

Title: Assistant Commissioner of Enforcement

Date: 12/18/2025

State of Michigan, Department of Insurance and Financial Services

By: [redacted]

Name: Aaron E. Luetzow

Title: Senior Deputy Director

Date: 12/18/2025

Minnesota Department of Commerce

By: [redacted]

Name: Sara Payne

Title: Assistant Commissioner

Date: 12/22/2025

Montana Division of Banking and Financial Institutions

By: [redacted]

Name: Melanie G. Hall

Title: Montana DBFI Commissioner

Date: 12/18/2025

New Mexico Financial Institutions Division

By: [redacted]

Name: Mark Sadowski

Title: Director

Date: 12/18/2025

Ohio Department of Commerce Division of Financial Institutions

By: [redacted]

Name: Pamela Prude-Smithers

Title: Deputy Superintendent

Date: 12/18/2025

Oklahoma State Banking Department

By: [redacted]

Name: Scott Lesher

Title: Administrator

Date: 12/22/2025

Oregon Division of Financial Regulation

By: [redacted]

Name: Dorothy Bean

Title: Chief of Enforcement

Date: 12/18/2025

South Carolina Department of Consumer Affairs

By: [redacted]

Name: Carolyn Grube Lybarker

Title: Administrator/Consumer Adv

Date: 12/18/2025

South Dakota Division of Banking

By: [redacted]

Name: Bret Afdahl

Title: Director

Date: 12/18/2025

Texas Department of Savings and Mortgage Lending

By: [redacted]

Name: Hector Retta

Title: Commissioner

Date: 12/18/2025

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APPENDIX A

No.	STATE	ADMINISTRATIVE PENALTY
1	Arizona	$1,000.00
2	Arkansas	$1,000.00
3	California	$1,000.00
4	Colorado	$7,000.00
5	Florida	$7,000.00
6	Idaho	$1,000.00
7	Illinois	$1,000.00
8	Indiana	$1,000.00
9	Iowa	$1,000.00
10	Kansas	$1,000.00
11	Michigan	$1,000.00
12	Minnesota	$1,000.00
13	Montana	$1,000.00
14	Oklahoma	$1,000.00
15	Ohio	$1,000.00
16	Oregon	$1,000.00
17	South Carolina	$1,000.00
18	South Dakota	$1,000.00
19	Texas	$1,000.00
		Total: $31,000.00